

Office Memorandum • UNITED STATES GOVERNMENT

TO : Acting Chief, Fiscal Division

DATE: 17 January 1950

FROM : Fiscal Inspector

SUBJECT: Telephone Service

STAT 1. In accordance with your instructions, pursuant to our meeting with Messrs. [redacted] of the Fiscal Division on 9 January 1950, I have reviewed Agency current practices in processing requests and accounting for costs of telephone services. I have also inquired of methods followed by other agencies, namely, (1) Department of Agriculture, (2) Interior - Bureau of Mines; (3) Department of State; (4) Treasury Department; and (5) Commerce - Census Bureau. My survey shows that action is required on the following issues in order to improve and strengthen the telephone procedure within CIA: ILLEGIB

a. Assigning authority for processing work orders to the telephone company.

b. Providing for suitable advance notice to the Accounting Branch - Fiscal Division for establishing obligations on new installations and for canceling obligations on terminated telephone services.

c. Providing for suitable receiving information on completed telephone work for certification purposes.

d. Providing for a uniform procedure in processing work requests, i.e., whether purchase orders or letters of agreement, should be used, etc., in formally requesting services from the telephone company.

2. Present Procedures

a. Procedures that are followed by CIA and above-named government agencies include the following basic steps:

- (1) Preparation of request for service by a "using office."
- (2) Review of request by a services unit, and preparation of a work order to the telephone company.
- (3) Receipt of bill by the services unit and certification of work performed.
- (4) Transmission of certified bills for audit and liquidation.

- b. (1) The practices within CIA require requesting officers to submit their requisitions for telephone services to the General Services Division - Administrative Staff upon CIA Form No. 36-7 "Request for Supplies, Equipment or Service". Upon receipt thereof, GSD conducts a survey of the work

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requested in coordination with officials of the requesting office and prepares the official work request to the telephone company (in trade terminology) in quadruplicate, upon CIA Form No. 36-65 "Telephone Service Order", and distributes copies as follows:

- a. White - original to telephone company
 - b. Green - General Services Division control record
 - c. Buff)-
 - d. Pink)-to area foreman; foreman retains the pink, control copy and gives the buff, or job copy, to the employee who is assigned to that specific job.
- (2) Progress of work is controlled by the "work complete" report furnished by the telephone company. The General Services Division checks the report and enters appropriate information concerning dates, etc, upon its green copy of the official work request, and returns the "work complete" report to the telephone company.
- (3) Telephone company billings are routed through GSD for certification of services received. The certification by the GSD official is based upon the green copy of CIA Form 36-65, in effect, upon the "work complete" report of the telephone company. It is entered upon the original of bill and all copies are forwarded to the Fiscal Division for costs audit. One copy is retained for the GSD files.
- (4) The Claims Branch - Fiscal Division, verifies the compensations by applying the rates in the General Services Administration schedule to the operations indicated upon the certified bills.

3. Recommendations

a. Delegation of authority: Officials of GSD - Adm. Staff have been preparing work orders on CIA Form 36-65 "Telephone Service Request" apparently without delegated authority. This matter should be clarified and the official delegation should be established as required.

b. Advance obligation notice: Advance information must be furnished to the Accounting Branch - Fiscal Division on all newly created agency obligations including obligations incurred for telephone services. Whenever a new service is negotiated a notice thereof, including the estimate of prime installation costs and monthly recurring charges as well as the allotment account to be charged must be furnished to the Accounting Branch. It is recommended that the General Services Division be required to forward this information and to refrain from contacting the telephone company until it has been ascertained that funds are available to cover the cost of service. Suitable arrangements

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covering this matter may be worked out between representatives of GSD and the Accounting Branch. It is also recommended that a confirming memo be prepared covering the work already completed for which CIA has been billed in the amount of \$492.11, to support a miscellaneous encumbrance for liquidating the bill charges that will be recurring monthly.

c. Receiving information: The procedure outlined in para. 2b appears adequate and is generally identical to that followed by Agriculture, Treasury and the Interior Departments. One apparent weakness is the reliance placed upon the telephone company's reports for basing the certification of completed work. The Commerce Department - Census Bureau requires its requesting offices to provide information concerning work completion dates, etc., on all telephone jobs. This is being done on a volume of work very close to that performed for CIA. It is recommended that the Census Bureau method be followed within CIA. The mechanics can be accomplished very easily by providing tissue copies of service request forms 36-65. Two copies could be forwarded to the using office to confirm the telephone work request. One of them to be returned to the GSD when the job was completed with appropriate receiving information as directed by rubber stamped instructions. The second tissue could remain for the office control record. GSD would certify incoming telephone bills upon the basis of such receiving reports; these reports would also be attached to the original bill when it is forwarded to the Audit Branch, Fiscal Division.

d. Uniform processing procedure: A uniform procedure should be adopted with the number of work requesting documents reduced to a minimum. At present both letters of agreement as well as purchase orders have been used in requesting telephone service. It is recommended that the use of purchase orders be eliminated in favor of letters in all cases except where CIA forms 36-65 are used, i.e., for changes etc. to existing installations. Appropriate number of copies should be prepared to provide the Accounts Branch with a basic obligation document, and the requesting offices with a means of reporting "receiving" information.

e. Addressing Billings: Action should be taken by G. S. Division to correct the CIA billing address. It is noted that a bill dated 16 December 1949 has been addressed to the attention of the chief operator who is no longer an employee of this agency.



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